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### **Trust land investments boost education funds**

The Arizona State Treasurer's Office is expecting to double its education endowment to nearly \$70 million this year, giving public schools more money for teacher pay raises and reducing classroom size.

That would equate to about \$70 for each of the 1 million public school students in Arizona, an increase of about \$38 per student.

State Treasurer Dean Martin said better investment of funds from state trust lands contributed to the increase.

"Investor performance has been outstanding," he said.

Last year's education endowment was about \$32 million. "We're going to more than double that in July," when the new fiscal year begins, he said.

Susan Carlson, executive director of the Arizona Business and Education Coalition, said this is evidence of the importance of the discussion surrounding state trust land.

"This is wonderful news, because the issue of teacher competitiveness is huge for the business community right now -- being able to attract highly qualified teachers in math and science," she said. "It also speaks to the importance of finding common ground on how to best manage Arizona state trust lands for the benefit of Arizona schools and schoolchildren."

Roger Short, executive director of the Arizona School Administrators, said he's happy to see such an increase.

"Any impact that goes to schools and helps with public education is significant," he said. "That's an area we're continually trying to improve."

Tom Horne, superintendent of the Arizona Department of Education, said the increase is minimal, but he hopes to see the funds continue to grow.

"As more land is sold, we are hopeful the trust will grow to the point where it can make a significant contribution to the resources available for Arizona students," he said.

Arizona's public schools get a little more than \$6,000 a year per pupil, with \$5,000 of that coming from the state and \$1,000 from local taxes, Horne said.

The education endowment funds, part of the state aid, will be available to all Arizona public schools, including charter schools. Martin estimated the Classroom Site Fund would have between \$65 million and \$70 million by June 30, which is when the state's fiscal year ends. The fund is used solely for classroom size reduction, teacher pay raises, teacher training, dropout prevention programs and AIMS assistance.

"We're looking at record distributions," Martin said.

Since taking office in January, Martin has beefed up the trading floor to include three full-time traders managing the portfolios.

"They're able to spend more time picking the best deals," he said. "We're putting more human capital into the trading room. We also are taking advantage of a very good, strong market right now."

The Classroom Site Fund is not subject to legislative appropriation, which means the Arizona Legislature is prohibited from cutting funding lawmakers previously approved just because the endowment grows, Martin said.

**ARIZONA PUBLIC SCHOOLS**

School districts: 219

Schools: 2,047

Charter schools: 498

Per pupil expenditure: \$6,465

Pupil/teacher ratio: 21.3 to 1

Full-time teachers: 48,935

*Source: National Center for Education Statistics*

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